

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

**ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY**

S

SW-02390A  
Southland Sanitation, Co.  
2730 E. Broadway, Suite 135  
Tucson, AZ 85716

**RECEIVED**

APR 14 2006

AZ CORPORATION COMMISSION  
DIRECTOR OF UTILITIES

**ANNUAL REPORT**

**FOR YEAR ENDING**

12	31	2005
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FOR COMMISSION USE

ANN05	05
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entered  
4-14-06  
RF

## COMPANY INFORMATION

<b>Company Name (Business Name)</b> <u>Southland Sanitation Co.</u>		
<b>Mailing Address</b> <u>2730 E. Broadway, Suite #135</u>		
<u>Tucson</u> (City)	<u>Arizona</u> (State)	<u>85716</u> (Zip)
<u>(520) 327-6000</u>	<u>(520) 327-6184</u>	<u>N/A</u>
<b>Telephone No. (Include Area Code)</b>		
<b>Fax No. (Include Area Code)</b>		
<b>Pager/Cell No. (Include Area Code)</b>		
<b>Email Address</b> <u>N/A</u>		
<b>Local Office Mailing Address</b> <u>4148 Golden Acres Drive</u>		
<u>Sierra Vista</u> (City)	<u>Arizona</u> (State)	<u>85650</u> (Zip)
<u>(520) 378-6200</u>	<u>(520) 378-2085</u>	<u>N/A</u>
<b>Local Office Telephone No. (Include Area Code)</b>		
<b>Fax No. (Include Area Code)</b>		
<b>Pager/Cell No. (Include Area Code)</b>		
<b>Email Address</b> <u>N/A</u>		

## MANAGEMENT INFORMATION

<b>Management Contact:</b> <u>Sidney Mendelsohn, Jr. - Secretary</u>			
		(Name)	(Title)
<u>6301 N. Dundedin Place</u> (Street)	<u>Tucson</u> (City)	<u>Arizona</u> (State)	<u>85718</u> (Zip)
<u>(520) 325-7500</u>	<u>(520) 323-6614</u>	<u>N/A</u>	
<b>Telephone No. (Include Area Code)</b>		<b>Fax No. (Include Area Code)</b>	
<b>Pager/Cell No. (Include Area Code)</b>			
<b>Email Address</b> <u>N/A</u>			
<b>On Site Manager:</b> <u>F. G. Heeren</u>			
		(Name)	
<u>4148 Golden Acres Drive</u> (Street)	<u>Sierra Vista</u> (City)	<u>Arizona</u> (State)	<u>85650</u> (Zip)
<u>(520) 378-6200</u>	<u>(520) 378-2085</u>	<u>N/A</u>	
<b>Telephone No. (Include Area Code)</b>		<b>Fax No. (Include Area Code)</b>	
<b>Pager/Cell No. (Include Area Code)</b>			
<b>Email Address</b> <u>N/A</u>			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

**Statutory Agent:** Sidney Mendelsohn, Jr.

(Name)

6301 N. Dendedin Place

Tucson

Arizona

85718

(Street)

(City)

(State)

(Zip)

(520) 325-7500

(520) 323-6614

N/A

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Attorney:** John O'Hara

(Name)

3865 N. Tucson Blvd.

Tucson

Arizona

85716

(Street)

(City)

(State)

(Zip)

(520) 881-2308

N/A

N/A

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

**OWNERSHIP INFORMATION**

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) \_\_\_\_\_

**COUNTIES SERVED**

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☒ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

**COMPANY NAME**

Southland Sanitation Co.

**UTILITY PLANT IN SERVICE**

<b>Acct. No.</b>	<b>DESCRIPTION</b>	<b>Original Cost (OC)</b>	<b>Accumulated Depreciation (AD)</b>	<b>O.C.L.D. (OC less AD)</b>
351	Organization	N/A	N/A	N/A
352	Franchises	N/A	N/A	N/A
353	Land and Land Rights	25,305	N/A	25,305
354	Structures and Improvements	178,583	54,502	124,081
355	Power Generation Equipment	N/A	N/A	N/A
360	Collection Sewers – Force	N/A	N/A	N/A
361	Collection Sewers – Gravity	105,453	105,449	4
362	Special Collecting Structures	N/A	N/A	N/A
363	Services to Customers	18,316	18,313	3
364	Flow Measuring Devices	N/A	N/A	N/A
365	Flow Measuring Installations	N/A	N/A	N/A
370	Receiving Wells	N/A	N/A	N/A
380	Treatment and Disposal Equip.	56,794	13,575	43,219
381	Plant Sewers	N/A	N/A	N/A
382	Outfall Sewer Lines	N/A	N/A	N/A
389	Other Plant and Misc. Equipment	N/A	N/A	N/A
390	Office Furniture and Equipment	N/A	N/A	N/A
391	Transportation Equipment	N/A	N/A	N/A
393	Tools, Shop and Garage Equip.	N/A	N/A	N/A
394	Laboratory Equipment	N/A	N/A	N/A
395	Power Operated Equipment	N/A	N/A	N/A
398	Other Tangible Plant	N/A	N/A	N/A
	<b>TOTALS</b>	<b>384,451</b>	<b>191,839</b>	<b>192,612</b>

This amount goes on the Balance Sheet Acct. No. 108

See Accountants' Compilation Report

**COMPANY NAME**

Southland Sanitation Company

**CALCULATION OF DEPRECIATION EXPENSE**

<b>Acct. No.</b>	<b>DESCRIPTION</b>	<b>Original Cost (1)</b>	<b>Depreciation Percentage (2)</b>	<b>Depreciation Expense (1x2)</b>
351	Organization	N/A	N/A	N/A
352	Franchises	N/A	N/A	N/A
353	Land and Land Rights	25,305	N/A	N/A
354	Structures and Improvements	178,583	5.0%	7,646
355	Power Generation Equipment	N/A	N/A	N/A
360	Collection Sewers – Force	N/A	N/A	N/A
361	Collection Sewers – Gravity	105,453	5.0%	0
362	Special Collecting Structures	N/A	N/A	N/A
363	Services to Customers	18,316	5.0%	0
364	Flow Measuring Devices	N/A	N/A	N/A
365	Flow Measuring Installations	N/A	N/A	N/A
370	Receiving Wells	N/A	N/A	N/A
380	Treatment and Disposal Equip.	56,794	5.0%	2,840
381	Plant Sewers	N/A	N/A	N/A
382	Outfall Sewer Lines	N/A	N/A	N/A
389	Other Plant and Misc. Equipment	N/A	N/A	N/A
390	Office Furniture and Equipment	N/A	N/A	N/A
391	Transportation Equipment	N/A	N/A	N/A
393	Tools, Shop and Garage Equip.	N/A	N/A	N/A
394	Laboratory Equipment	N/A	N/A	N/A
395	Power Operated Equipment	N/A	N/A	N/A
398	Other Tangible Plant	N/A	N/A	N/A
	<b>TOTALS</b>	<b>384,451</b>		<b>10,486</b>

This amount goes on the Comparative Statement of Income and Expense Acct. 403



**COMPANY NAME**

Southland Sanitation Co.

**BALANCE SHEET**

Acct No.	ASSETS	BALANCE AT BEGINNING OF TEST YEAR	BALANCE AT END OF YEAR
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 9,524	\$ 15,252
132	Special Deposits	N/A	N/A
135	Temporary Cash Investments	319	200
141	Customer Accounts Receivable	5,685	5,568
146	Notes/Receivables from Associated Companies	N/A	N/A
151	Plant Material and Supplies	N/A	N/A
162	Prepayments	52	80
174	Miscellaneous Current and Accrued Assets	4,708	5,855
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 20,288	\$ 26,955
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 384,451	\$ 384,451
103	Property Held for Future Use	N/A	N/A
105	Construction Work in Progress	N/A	N/A
108	Accumulated Depreciation – Utility Plant	(181,354)	(191,839)
121	Non-Utility Property	N/A	N/A
122	Accumulated Depreciation – Non Utility	N/A	N/A
	<b>TOTAL FIXED ASSETS</b>	\$ 203,097	\$ 192,612
	<b>TOTAL ASSETS</b>	\$ 223,385	\$ 219,567

NOTE: Total Assets on this page should equal **Total Liabilities and Capital** on the following page.

**COMPANY NAME**

Southland Sanitation Co.

**BALANCE SHEET (CONTINUED)**

Acct No.	LIABILITIES	BALANCE AT BEGINNING OF TEST YEAR	BALANCE AT END OF YEAR
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$ 803	\$ 950
232	Notes Payable (Current Portion)	137,414	135,389
234	Notes/Accounts Payable to Associated Companies	74,878	74,158
235	Customer Deposits	391	747
236	Accrued Taxes	1,815	1,689
237	Accrued Interest	7,036	8,025
241	Miscellaneous Current and Accrued Liabilities		
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 222,337	\$ 220,958
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ N/A	\$ N/A
	<b>DEFERRED CREDITS</b>		
252	Advances in Aid of Construction	\$ N/A	\$ N/A
253	Other Deferred Credits	N/A	N/A
255	Accumulated Deferred Investment Tax Credits	175	148
271	Contributions in Aid of Construction	N/A	N/A
272	Less: Amortization of Contributions	N/A	N/A
281	Accumulated Deferred Income Tax	N/A	N/A
	<b>TOTAL DEFERRED CREDITS</b>	\$ 175	\$ 148
	<b>TOTAL LIABILITIES</b>	\$ 222,512	\$ 221,106
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 10,000	\$ 10,000
211	Other Paid in Capital	115,428	115,428
215	Retained Earnings	(124,555)	(126,967)
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	\$ 873	\$ (1,539)
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 223,385	\$ 219,567

See Accountants' Compilation Report

**COMPANY NAME**

Southland Sanitation Co.

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
521	Flat Rate Revenues	\$ 61,758	\$ 61,871
522	Measured Revenues	N/A	N/A
536	Other Wastewater Revenues	905	1,356
	<b>TOTAL REVENUES</b>	<b>\$ 62,663</b>	<b>\$ 63,227</b>
	<b>OPERATING EXPENSES</b>		
701	Salaries and Wages	\$ N/A	\$ N/A
710	Purchased Wastewater Treatment	N/A	N/A
711	Sludge Removal Expense	N/A	N/A
715	Purchased Power	6,907	5,464
716	Fuel for Power Production	N/A	N/A
718	Chemicals	N/A	N/A
720	Materials and Supplies	N/A	N/A
731	Contractual Services – Professional	12,985	13,810
735	Contractual Services – Testing	240	600
736	Contractual Services – Other	9,383	10,048
740	Rents	1,500	1,500
750	Transportation Expense	N/A	N/A
755	Insurance Expense	662	419
765	Regulatory Commission Expense	45	145
775	Miscellaneous Expense	7,283	7,521
403	Depreciation Expense	10,486	10,486
408	Taxes Other Than Income	N/A	N/A
408.11	Property Taxes	3,529	3,279
409	Income Taxes	(927)	(1,097)
	<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 52,093</b>	<b>\$ 52,175</b>
	<b>OTHER INCOME/EXPENSE</b>		
419	Interest and Dividend Income	\$ 1	\$ 1
421	Non-Utility Income	27	27
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	(13,006)	(13,492)
	<b>TOTAL OTHER INCOME/EXPENSE</b>	<b>\$ (12,978)</b>	<b>\$ (13,464)</b>
	<b>NET INCOME/(LOSS)</b>	<b>\$ (2,408)</b>	<b>\$ (2,412)</b>

See Accountants' Compilation Report



**COMPANY NAME**

Southland Sanitation Co.

**SUPPLEMENTAL FINANCIAL DATA****Long-Term Debt**

	<b>LOAN #1</b>	<b>LOAN #2</b>	<b>LOAN #3</b>	<b>LOAN #4</b>
Date Issued	1998			
Source of Loan	Shareholder			
ACC Decision No.	N/A			
Reason for Loan	Working Capital			
Dollar Amount Issued	\$ 12,500	\$	\$	\$
Amount Outstanding	\$ 12,500	\$	\$	\$
Date of Maturity	Demand			
Interest Rate	8 %	%	%	%
Current Year Interest	\$ 1,000	\$	\$	\$
Current Year Principle	\$ 0	\$	\$	\$

See Accountants' Compilation Report

**COMPANY NAME**

Southland Sanitation Co.

**WASTEWATER COMPANY PLANT DESCRIPTION****TREATMENT FACILITY**

<b>TYPE OF TREATMENT</b> (Extended Aeration, Step Aeration, Oxidation Ditch, Aerobic Lagoon, Anaerobic Lagoon, Trickling Filter, Septic Tank, Wetland, Etc.)	Extended Aeration with Evaporation Ponds (2)
<b>DESIGN CAPACITY OF PLANT</b> (Gallons Per Day)	70,000

**LIFT STATION FACILITIES**

Location	Quantity of Pumps	Horsepower Per Pump	Capacity Per Pump (GPM)	Wet Well Capacity (gals)
N/A				

**FORCE MAINS**

Size	Material	Length (Feet)
4-inch	N/A	N/A
6-inch	N/A	N/A

**MANHOLES**

Type	Quantity
Standard	N/A
Drop	61

**CLEANOUTS**

Quantity
N/A

**COMPANY NAME**

Southland Sanitation Co.

**WASTEWATER COMPANY PLANT DESCRIPTION (CONTINUED)****COLLECTION MAINS**

<b>Size (in inches)</b>	<b>Material</b>	<b>Length (in feet)</b>
4		N/A
6		N/A
8	Clay Pipe	15,555
10		N/A
12		N/A
15		N/A
18		N/A
21		N/A
24		N/A
30		N/A

**SERVICES**

<b>Size (in inches)</b>	<b>Material</b>	<b>Quantity</b>
4	Clay Pipe	297
6		N/A
8		N/A
12		N/A
15		N/A

**FOR THE FOLLOWING FIVE ITEMS, LIST THE UTILITY OWNED ASSETS IN EACH CATEGORY**

<b>SOLIDS PROCESSING AND HANDLING FACILITIES</b>	None
<b>DISINFECTION EQUIPMENT</b> (Chlorinator, Ultra-Violet, Etc.)	Chlorinator
<b>FILTRATION EQUIPMENT</b> (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	None
<b>STRUCTURES</b> (Buildings, Fences, Etc.)	Fences, Evaporative Ponds and Storage Shed
<b>OTHER</b> (Laboratory Equipment, Tools, Vehicles, Standby Power Generators, Etc.)	None

**COMPANY NAME**

Southland Sanitation Co.

**WASTEWATER FLOWS**

<b>MONTH/YEAR (Most Recent 12 Months)</b>	<b>NUMBER OF SERVICES</b>	<b>TOTAL MONTHLY SEWAGE FLOW</b>	<b>SEWAGE FLOW ON PEAK DAY</b>
This information is not available.			

**PROVIDE THE FOLLOWING INFORMATION AS APPLICABLE**

<b>Method of Effluent Disposal</b> (leach field, surface water discharge, reuse, injection wells, groundwater recharge, evaporation ponds, etc.)	Extended Aeration, Evaporative Ponds/Reuse
<b>Wastewater Inventory Number</b> (all wastewater systems are assigned an inventory number)	ID1479
<b>Groundwater Permit Number</b>	02029
<b>ADEQ Aquifer Protection Permit Number</b>	P101491
<b>ADEQ Reuse Permit Number</b>	P101491
<b>EPA NPDES Permit Number</b>	N/A

## **STATISTICAL INFORMATION**

Total number of customers 286

Total number of gallons treated 20,253,180 gallons

COMPANY NAME Southland Sanitation Co.

YEAR ENDING 12/31/2005

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>0</u>
Estimated or Actual Federal Tax Liability	<u>0</u>

State Taxable Income Reported	<u>50</u>
Estimated or Actual State Tax Liability	<u>50</u>

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>0</u>
Amount of Gross-Up Tax Collected	<u>0</u>
Total Grossed-Up Contributions/Advances	<u>0</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Andrew L. Romo  
XSIGNATURE

04.13.06  
DATE

Andrew L. Romo  
PRINTED NAME

President  
TITLE

**COMPANY NAME** Southland Sanitation Co. **YEAR ENDING 12/31/2005**

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2005 was: \$ 3,404.05

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. N/A

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**SOUTHLAND SANITATION INC**

2730 E BROADWAY BLVD STE 135  
TUCSON, AZ 85716  
520-327-8000

214

91-674/1221  
116

DATE April 27, 2005

PAY  
TO THE  
ORDER OF

Marsha Bonham Cochise County Treasurer

\$ 1,764.64\*\*\*

**THE SUM 1764 DOLS 64 CTS**

DOLLARS 



**Compass Bank**

Tucson, Arizona

FOR

953-56-870 -2 <sup>04</sup>

Andrew L. Ponce

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⑈0000176464⑈

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BANK ONE, NA

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**SOUTHLAND SANITATION INC**

2730 E BROADWAY BLVD STE 185  
TUCSON, AZ 85716  
520-327-8000

271

91-5741221  
148

DATE October 17, 2005

PAY  
TO THE  
ORDER OF

Marsha Bonham Cochise County Treasurer

\$ 1,639.41\*\*\*\*

**THE SUM I 639 DOLS 41 CTS**

DOLLARS in



**Compass Bank**  
Tucson, Arizona

FOR 05 953 56 870 2

Andrew L. Pano

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Oct 27 05

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**REPORT**  
The back of the document has been  
marked with a printed security  
pattern. If the pattern is absent,  
do not cash it.  
Do Not Cash It.  
If the Security Watermark pattern is absent  
at this point, the word VOID appears in the right  
margin of the message.  
Check for signs of signs, tears, or  
other or amount area.

ENDORSE HERE

**VERIFICATION  
AND  
SWORN STATEMENT  
Taxes**

**RECEIVED**

APR 14 2006

**VERIFICATION**

STATE OF Arizona

**I, THE UNDERSIGNED  
OF THE**

COUNTY OF (COUNTY NAME) <u>Pima</u>	AZ CORPORATION COMMISSION DIRECTOR OF UTILITIES
NAME (OWNER OR OFFICIAL) TITLE <u>Andrew L. Romo, President</u>	
COMPANY NAME <u>Southland Sanitation Co.</u>	

**DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2005

**HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.**

**SWORN STATEMENT**

**I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.**

**I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.**

Andrew L. Romo

XSIGNATURE OF OWNER OR OFFICIAL

320 327-6000

TELEPHONE NUMBER

**SUBSCRIBED AND SWORN TO BEFORE ME**

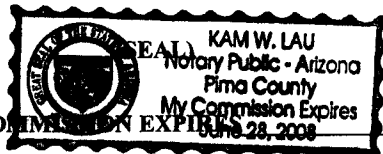
**A NOTARY PUBLIC IN AND FOR THE COUNTY OF**

**THIS**

13

**DAY OF**

COUNTY NAME <u>Pima</u>	
MONTH <u>April</u>	YEAR <u>2006</u>



MY COMMISSION EXPIRES

June 28, 2008

Kam W. Lau

SIGNATURE OF NOTARY PUBLIC

**VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only**

**RECEIVED**

APR 14 2006

**VERIFICATION**

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Pima</u>	AZ CORPORATION COMMISSION DIRECTOR OF UTILITIES
NAME (OWNER OR OFFICIAL) TITLE <u>Andrew L. Romo, President</u>	
COMPANY NAME <u>Southland Sanitation Co.</u>	

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH <u>12</u>	DAY <u>31</u>	YEAR <u>2005</u>
--------------------	------------------	---------------------

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2005 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 63,227.

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ none  
IN SALES TAXES BILLED, OR COLLECTED)

**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

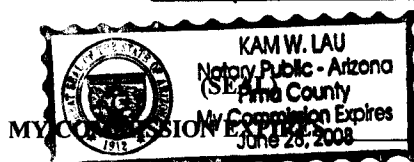
Andrew L. Romo  
\_\_\_\_\_  
SIGNATURE OF OWNER OR OFFICIAL  
(520) 327-6000  
\_\_\_\_\_  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 13 DAY OF

COUNTY NAME <u>Pima</u>	
MONTH <u>Apr.</u>	, 20 <u>06</u>



June 26, 2006

Kam W. Lau  
\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC

**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
INTRASTATE REVENUES ONLY**

**RECEIVED**

APR 14 2006

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

COUNTY OF (COUNTY NAME) <u>Pima</u>	
NAME (OWNER OR OFFICIAL) <u>Andrew L. Romo</u>	TITLE <u>President</u>
COMPANY NAME <u>Southland Sanitation Co.</u>	

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2005</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2005 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 61,871.

(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ none  
IN SALES TAXES BILLED, OR COLLECTED

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

X Andrew L. Romo  
X SIGNATURE OF OWNER OR OFFICIAL  
(520) 327-6000  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

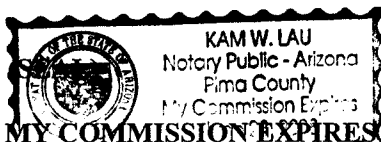
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

13

DAY OF

NOTARY PUBLIC NAME	<u>KAM W. LAU</u>
COUNTY NAME	<u>Pima</u>
MONTH	<u>Apr.</u>
	<u>2006</u>



X KAM W. LAU  
SIGNATURE OF NOTARY PUBLIC

June 28, 2008

# REIDY & SHEEHAN P.C.

ACCOUNTING

TAXATION

BUSINESS  
VALUATION  
& CONSULTING  
LITIGATION  
SERVICES

Compliance Section  
Utilities Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

April 13, 2006

RECEIVED

APR 14 2006

AZ CORPORATION COMMISSION  
DIRECTOR OF UTILITIES

Re: Southland Sanitation Co.  
Sewer Utility Annual Report

Dear Sir or Madam:

Please find enclosed the Sewer Utility Annual Report and the accountants' compilation report for the above captioned corporation for the calendar year 2005.

Regards,

Reidy & Sheehan P.C.

  
Dennis J. Reidy, CPA



ACCOUNTING

Southland Sanitation Co.

TAXATION

2730 East Broadway Blvd., #135

BUSINESS

Tucson, Arizona 85716

VALUATION

& CONSULTING

LITIGATION

SERVICES

We have compiled the Utilities Division Annual Report for the year ended December 31, 2005 for Southland Sanitation Co. included in the accompanying prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Our compilation was limited to presenting in the form prescribed by the Arizona Corporation commission, Utilities Division, Compliance Section, information that is the representation of management. We have not audited our reviewed the financial statements referred to above and, accordingly, do not express an opinion or any other form of assurance on them

The financial and statistical information, including other disclosures, are presented in accordance with the requirements of the Arizona Corporation commission, Utilities Division, Compliance Section, which differ from generally accepted accounting principles. Accordingly, the financial statements are not designed for those who are not informed about such differences.

April 13, 2006